

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Division regarding a medical fee dispute between the requestor and the respondent named above. This dispute was received on 11/17/03.

## I. DISPUTE

Whether there should be additional reimbursement for date of service 3/07/03. The Carrier denied additional reimbursement for HCPCS codes E0236 "Water Circulating Unit", E1399 "Cold Therapy Cooler Wrap", and E1399 "Water Circulating Pad as "U YU – This service has been deemed unnecessary medical treatment based on a review of the claim file, billing records, and/or written review protocols established for appropriate health care treatment. M RD – The reimbursement for the service rendered has been determined to be fair and reasonable based on billing and payment research and is in accordance with Labor Code 413.011(B)[sic]." E0781 "Ambulatory Infusion Pump" was denied as "M RD – The reimbursement for the service rendered has been determined to be fair and reasonable based on billing and payment research and is in accordance with Labor Code 413.011(B)[sic]."

## II. FINDINGS

Pursuant to Rule 133.308(i)(8), the Commission previously dismissed the medical necessity components as the file contained only unresolved medical fees issues. On 1/16/04, a Notice was faxed to the Requestor to submit additional documentation necessary to support the fee charges and to challenge the reasons the Respondent had denied reimbursement within 14 days of the Requestor's receipt of this Notice.

## III. RATIONALE

### **HCPCS Codes E0236 Water Circulating Unit (\$494.00); E1399 Cold Therapy Cooler Wrap (\$75.00); E1399 Water Circulating Pad (\$155.00)**

The Requestor billed \$724.00 for the listed DME while the Carrier reimbursed \$180.35 leaving \$543.65 in dispute.

The MFG DME GR (IX)(C) states, "...Invoices shall be billed at the provider's usual and customary rate. Reimbursement shall be an amount pre-negotiated between the provider and the carrier or if there is no pre-negotiated amount, the fair and reasonable rate. A fair and reasonable reimbursement shall be the same as the fees set forth for the "D" codes in the 1991 Medical Fee Guideline." There is no "D" code listed for this DME.

Per Rule 133.307 (g)(3)(D), the Requestor is required to discuss, demonstrate and justify that the payment being sought is a fair and reasonable rate of reimbursement. The Requestor provided various sample EOB's as evidence that the fees billed are for similar treatment of injured individuals and that reflect the fee charged to and paid by other carriers. However, all but one sample EOB shows the identity of patients (patient's employer) not involved in this dispute was not fully redacted and cannot be utilized per Rule 133.307(g)(3)(E). The submitted documentation was not eligible for review; therefore, the Requestor's position for a change in reimbursement based on fair and reasonable is not supported. Additional reimbursement is not recommended.

#### **E0781 Ambulatory Infusion Pump (\$485.00)**

The Requestor billed \$485.00 for the listed DME while the Carrier reimbursed \$265.00 leaving \$220.00 in dispute.

Texas Labor Code 408.027 (c), Commission Rule 133.304 (i) (1-4) and 133.307 (j) (1) (F) places certain requirements on the Carrier when reducing the billed amount to fair and reasonable. The Respondent has not supported their rate of reimbursement as fair and reasonable for this DME.

Per Rule 133.307 (g)(3)(D), the Requestor is required to discuss, demonstrate and justify that the payment being sought is a fair and reasonable rate of reimbursement. The Requestor has provided redacted sample EOBs as evidence that the fees billed are for similar treatment of injured individuals and that reflect the fee charged to and paid by other carriers. On this basis, reimbursement is recommended in the amount of \$220.00(\$485.00 billed - \$265.00 Carrier reimbursement = \$220.00).

#### **IV. DECISION**

Based upon the review of the disputed healthcare services within this request, the Division has determined that the Requestor **is** entitled to reimbursement for HCPCS code E0781 in the amount of **\$220.00**. Pursuant to Sections 402.042, 413.016, 413.031, and 413.019 the Division hereby ORDERS the Respondent to remit **\$220.00** plus all accrued interest due at the time of payment to the Requestor within 20 days receipt of this Order.

The above Findings, Decision and Order are hereby issued this 01st day of June 2004.

Pat DeVries  
Medical Dispute Resolution Officer  
Medical Review Division

PD/pd